BetterBuildings
Working with Utilities Peer Exchange Call: Kick-off
Call Slides and Discussion Summary

April 21, 2011
Agenda

- What are peer exchange calls?
- Call logistics and attendance
- Key topics in working with utilities
- Grant project go-around:
  - What is the institutional relationship between your BB project and utilities?
  - What kind of utility are you working with (e.g., municipal, investor-owned, etc.)?
  - What are some key challenges or needs related to working with utilities?
  - Any successful strategies?
- Next steps
  - Future call topics, call frequency, format, etc.
Participating Grant Programs

- New Orleans
- Greater Cincinnati
- Chicago
- Kansas City
- Austin
- LA County
- Florida
Working with Utilities Topics

- Data sharing
- On-bill financing
- Aligning workforce strategies and rules with utilities
- Aligning marketing and driving demand strategies with utilities
- Effective partnerships and joint strategies
- Utility role in long-range program sustainability
Discussion Summary: Challenges

- Utilities are risk averse, move slowly
- Regulations limit utilities ability to incur and/or pass on program-related costs
- Still some issues even with utility data sharing agreements: limits research access, data quality problems, release forms can be complicated for customers
- Utilities not well suited to the multi-family sector (there is often a “gap” between residential and commercial sector)
- Older, rigid utility billing mechanisms/infrastructure can be a barrier to on-bill payments
Discussion Summary: Strategies

- Patience is very important
- Data sharing agreements (Connecticut shared an example)
- Focus on building personal relationships (e.g., Maryland found it easier to build relationships with field personnel rather than headquarters)
- Show how BB programs can add value for utilities, such as helping them identify opportunities to deliver their programs (e.g., Maryland multi-family had success working with utilities on electronic thermostats and outdoor lighting)
- Some private utilities have investment capital that can be deployed if programs can demonstrate a good rate of return (e.g., around 8-9%)
- Leverage the contractor network and the relationship of the contractor network to utilities (Connecticut)
- Discuss risk management with utilities (Seattle/Portland)
Success Factors and Barriers for Working With Utilities

• What factors create an environment for successfully working with Utilities?
  ▪ Enabling legislation, i.e., on-bill payments in OR were supported by legislation
  ▪ Tariffs: MD, OR, and Seattle all allow utilities to collect tariffs for energy efficiency and/or renewables programs
  ▪ Minimize costs to utilities, e.g., structure programs to allow utilities to pass through costs of on-bill payments to customers (fee based)
  ▪ Programs act as “bridge” between utilities and developers; this can be as basic as simply ‘translating’ between parties and helping them understand where there are mutually beneficial partnerships
  ▪ Risk management
  ▪ Good relationships

• Barriers?
  ▪ Billing software that makes it costly or infeasible to do on-bill payments
  ▪ Rigid audit requirements that limit costs utilities can incur to support programs
Discussion Summary: Future Topics

- Examples of data sharing agreements—pros and cons
- Examples and strategies for creating effective partnerships with utilities
- Structuring programs to add value for utilities
- Effective risk management strategies with utilities